

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON, AT SEATTLE

CARPENTERS HEALTH AND SECURITY
TRUST OF WESTERN WASHINGTON;
CARPENTERS RETIREMENT TRUST OF
WESTERN WASHINGTON; CARPENTERS-
EMPLOYERS VACATION TRUST OF
WESTERN WASHINGTON; and
CARPENTERS-EMPLOYERS
APPRENTICESHIP AND TRAINING TRUST
OF WESTERN WASHINGTON,

Plaintiffs,

v.

INTERNATIONAL EXPO SERVICE, INC., a
California corporation,

Defendant.

Cause No. 15-cv-1599

COMPLAINT FOR MONETARY DAMAGES

I. PARTIES

1.1 Plaintiff Carpenters Health and Security Trust of Western Washington ("Carpenters Health & Security Trust") is a Taft-Hartley trust fund established for the purpose of providing and maintaining hospital, medical, dental, vision, disability or death benefits, and any other similar benefits for eligible members and their beneficiaries. It maintains its principal office in Seattle, King County, Washington.

1.2 Plaintiff Carpenters Retirement Trust of Western Washington ("Carpenters Retirement Trust") is a Taft-Hartley trust fund created for the purpose of providing

benefits for the support of eligible members after retirement and/or their beneficiaries pursuant to a retirement plan. It maintains its principal office in Seattle, King County, Washington.

1.3 Plaintiff Carpenters-Employers Vacation Trust of Western Washington ("Carpenters Vacation Trust") is a Taft-Hartley trust fund created for the purposes of providing vacation and related benefits to employees pursuant to a vacation benefit plan. It maintains its principal office in Seattle, King County, Washington.

1.4 Plaintiff Carpenters-Employers Apprenticeship and Training Trust Fund of Western Washington ("Carpenters Apprenticeship Trust") is a Taft-Hartley trust fund created for the purpose of providing apprenticeship and training benefits to employees in a manner as set forth in the agreement.

1.5 Defendant International Expo Service, Inc. ("International Expo") is a California corporation with its principal place of business in Cypress, Orange County, California. During the relevant time period, it conducted business in the State of Washington.

II. JURISDICTION AND VENUE

2.1 This Court has jurisdiction pursuant to §§301(c), 302(e) of the Labor Management Relations Act ("LMRA"), codified at 29 U.S.C. §§185(c), 186(e); and §§502(a)(3), (e)(2) of the Employee Retirement Income Security Act of 1974 ("ERISA"), codified at 29 U.S.C. §§1132(a)(3), (e)(2).

2.2 Venue in this Court is proper pursuant to §301(a) LMRA, codified at 29 U.S.C. § 185(a); §502(e)(2) ERISA, codified at 29 U.S.C. §1132(e)(2); and pursuant to agreement between the parties.

III. FACTS

3.1 On November 8, 2005, Christina Collins, on behalf of International Expo, executed the Tradeshow Agreement Signature Page, binding the company to the *Trade*

1 *Show Agreement between Pacific Northwest Regional Council of Carpenters and the Trade*
2 *Show Contractors*, effective June 1, 2005 through May 31, 2008.

3 3.2 The agreement also contains an "evergreen clause" in which International
4 Expo agreed to be bound by the Labor Agreement and any successor agreements.
5 International Expo has not terminated the Labor Agreement, and the current Labor
6 Agreement in place is the *Pacific Northwest Master Trade Show Agreement between*
7 *Pacific Northwest Regional Council of Carpenters and the Trade Show Contractors*,
8 effective December 1, 2012 through May 31, 2016 (the two trade show agreements shall
9 be collectively referred to as the "Labor Agreement").

10 3.3 By signing the Labor Agreement, International Expo agreed to make fringe
11 benefit contributions to the plaintiff Trust Funds in amounts set forth in the Labor
12 Agreement, Schedule A:

13 (a) Trust Contributions: The contribution amounts specified in
14 paragraphs (b) through (h) below shall be made to whichever of the
15 following Trust Funds has appropriate jurisdiction: (1) the
16 Carpenters Trust of Western Washington; (2) the Washington -
Idaho - Montana Carpenters - Employers Trust; or (3) the Oregon -
Washington Carpenters-Employers Trust.

17 3.4 International Expo also agreed to be bound by the applicable trust
18 agreements incorporated by reference into the Labor Agreement:

19 (f) Parties Bound. It is further understood that employers who are
20 parties to this Agreement shall be bound by the terms and
21 provisions of the Trust Funds and Plans as mentioned in Sections 1
through 7 as though these Trust Funds and Plans were part of this
Agreement.

22 3.5 The plaintiff Trust Funds are beneficiaries under the terms of the Labor
23 Agreement.

24 3.6 As a signatory to the Labor Agreement, as discussed above, International
25 Expo agreed to the terms of the (i) Carpenters Health & Security Trust of Western
26 Washington; (ii) Carpenters Retirement Trust of Western Washington; (iii) Carpenters-

1 Employers Vacation Trust of Western Washington; and (iv) Carpenters-Employers
2 Apprenticeship and Training Trust of Western Washington.

3 3.7 International Expo's obligations under the Carpenters Health & Security
4 Trust are set forth in Article II, Sections 8 – 13, and Article IV, Section 17 of the Revised
5 Trust Agreement of the Carpenters Health and Security Trust of Western Washington,
6 dated January 1, 1998, and as amended. Under the Carpenters Health & Security Trust,
7 International Expo agreed to, among other things:

- 8 ▪ Submit its reports on or before the 15th day of the calendar month
9 following the month in which the contributions are payable, even if
10 the company had no employees for that period of time;
- 11 ▪ Comply with a request to submit any information, data, report or
12 other documents reasonably relevant to and suitable for purposes
13 of administration of the trust, as requested by the trust funds;
- 14 ▪ Payment of liquidated damages of twelve percent (12%) on all
15 delinquent contributions;
- 16 ▪ Payment of interest of not less than twelve percent (12%), nor more
17 than eighteen percent (18%); and
- 18 ▪ Payment of the trust fund's attorney fees, costs of collection, and
19 auditor's fees.

20 3.8 International Expo's obligations under the Carpenters Retirement Trust are
21 set forth in Article II, Sections 8 – 13, and Article IV, Section 17 of the Revised Trust
22 Agreement of the Carpenters Retirement Trust of Western Washington, dated January 1,
23 1998, and as amended. Under the Carpenters Retirement Trust, International Expo
24 agreed to, among other things:

- 25 ▪ Submit its reports on or before the due date specified in the trust
26 agreement or as set by the trustees, even if the company had no
employees for that period of time;

- 1 ▪ Comply with a request to submit any information, data, report or
- 2 other documents reasonably relevant to and suitable for purposes
- 3 of administration of the trust, as requested by the trust funds;
- 4 ▪ Payment of liquidated damages of twelve percent (12%) on all
- 5 delinquent contributions;
- 6 ▪ Payment of interest of not less than twelve percent (12%), nor more
- 7 than eighteen percent (18%); and
- 8 ▪ Payment of the trust fund's attorney fees, costs of collection, and
- auditor's fees.

9 3.9 International Expo's obligations under the Carpenters Vacation Trust are

10 set forth in Article II, Sections 8 – 13, and Article IV, Section 17 of the Revised Trust

11 Agreement of Carpenters-Employers Vacation Trust of Western Washington, dated

12 January 1, 1998, and as amended. Under the Carpenters Vacation Trust, International

13 Expo agreed to, among other things:

- 14 ▪ Submit its reports on or before the due date specified in the trust
- 15 agreement or as set by the trustees, even if the company had no
- 16 employees for that period of time;
- 17 ▪ Comply with a request to submit any information, data, report or
- 18 other documents reasonably relevant to and suitable for purposes
- 19 of administration of the trust, as requested by the trust funds;
- 20 ▪ Payment of liquidated damages of twelve percent (12%) on all
- 21 delinquent contributions;
- 22 ▪ Payment of interest of not less than twelve percent (12%), nor more
- 23 than eighteen percent (18%); and
- Payment of the trust fund's attorney fees, costs of collection, and
- auditor's fees.

24 3.10 International Expo's obligations under the Carpenters Apprenticeship Trust

25 are set forth in Article II, Sections 8 – 13, and Article IV, Section 17 of the Revised Trust

26 Agreement of Carpenters-Employers Apprenticeship and Training Trust Fund of Western

Washington, dated January 1, 1998, and as amended. Under the Carpenters Apprenticeship Trust, International Expo agreed to, among other things:

- Submit its reports on or before the due date specified in the trust agreement or as set by the trustees, even if the company had no employees for that period of time;
- Comply with a request to submit any information, data, report or other documents reasonably relevant to and suitable for purposes of administration of the trust, as requested by the trust funds;
- Payment of liquidated damages of twelve percent (12%) on all delinquent contributions;
- Payment of interest of not less than twelve percent (12%), nor more than eighteen percent (18%); and
- Payment of the trust fund's attorney fees, costs of collection, and auditor's fees.

3.11 Following execution of the collective bargaining agreements, International Expo hired union workers subject to the scope of the agreements and began the monthly reporting and payment of contributions to the Plaintiff Trust Funds.

3.12 In 2014, the Trust Funds selected International Expo for a review of its payroll and related business records to determine whether the company had complied with its obligations to the Trust Funds for the period January 1, 2011 through December 31, 2014 (the "Testing Period").

3.13 On February 19, 2015, the Trust Funds' auditor, Anastasi Moore Martin issued its *Independent Accountants' Report on Applying Agreed-Upon Procedures* (the "Compliance Report"). The auditor concluded that International Expo underreported and/or underpaid its fringe benefit contributions during the Testing Period. The auditor further concluded that International Expo owed the Trust Funds \$22,146.25, consisting

1 of \$15,892.28 in fringe benefit contributions, \$1,907.08 in liquidated damages, \$3,469.39
2 in interest due to non-payment, and \$877.50 in audit fees.

3 3.14 On March 5, 2015, the Trust Funds provided International Expo with a copy
4 of the Compliance Report for review.

5 3.15 After it was provided with the Compliance Report, International Expo
6 provided the auditor with documents supporting its objections to the Compliance
7 Report.

8 3.16 Following a review of the additional documents provided by International
9 Expo, the auditor concluded the company owed \$13,232.58, consisting of \$8,646.23 in
10 fringe benefit contributions, \$1,037.55 in liquidated damages, \$2,828.80 in interest
11 through the date of the Compliance Report, and \$720.00 in audit fees.

12 3.17 A copy of the amended Compliance Report was provided to International
13 Expo on September 16, 2015. The company was asked to provide payment in full or
14 have a signed payment plan in place prior on or before September 30, 2015.
15 International Expo did not respond to the letter requesting payment.

16 3.18 As of the date of this complaint, International Expo has not paid any
17 amounts towards the balance owed under the amended Compliance Report.

18 **III. CAUSES OF ACTION**

19 **First Cause of Action** 20 **(Breach of Contract)**

21 4.1 The Plaintiff Trust Funds reallege each and every allegation contained in
22 ¶¶ 3.1 – 3.18, above.

23 4.2 International Expo's failure to comply with the Trust Funds' audit request
24 and payroll records inspection constitutes a breach of terms of the labor and trust
25 agreements between the Union and International Expo, to which the Plaintiff Trust
26 Funds are beneficiaries and/or parties.

1 4.3 As a result of International Expo's breach, the Plaintiff Trust Funds have
2 been damaged in an amount to be proven at trial, but not less than \$13,232.58, plus
3 attorney fees, and costs of enforcement and collection.

4 **Second Cause of Action**
5 **(Violation of ERISA)**

6 4.4 The Plaintiff Trust Funds reallege each and every allegation contained in
7 ¶¶ 3.1 – 3.18, above.

8 4.5 International Expo's failure to pay fringe benefit contributions owed to the
9 Trust Funds violates §209(a) ERISA, codified at 29 U.S.C. §1059(a) and gives rise to a
10 cause of action under §502(g)(2)(E) ERISA, codified at 29 U.S.C. §1132(a)(3).

11 4.6 As a result of International Expo's failure to comply, the Plaintiff Trust
12 Funds have been damaged in an amount to be proven at trial, but not less than
13 \$13,232.58, plus attorney fees, and costs of enforcement and collection.

14 **IV. RELIEF REQUESTED**

15 The Plaintiff Trust Funds respectfully request the Court grant the following:

- 16 A. Judgment in favor of the Plaintiff Trust Funds, in an amount to be
17 determined at trial, but not less than \$8,646.23, for all fringe benefit
18 contributions shown to be due from International Expo by the amended
 Compliance Report;
- 19 C. Judgment in favor of the Plaintiff Trust Funds, in an amount to be
20 determined at trial, but not less than \$1,037.55, for all liquidated damages
21 shown to be due from International Expo by the amended Compliance
22 Report, or double the accrued, prejudgment interest, whichever is higher,
 pursuant to 29 U.S.C. §1132(g)(2)(C);
- 23 D. Judgment in favor of the Plaintiff Trust Funds, in an amount to be
24 determined at trial, but not less than \$2,828.80, for all accrued,
25 prejudgment interest shown to be due from International Expo;
- 26

- 1 E. An award of attorney fees and costs, as authorized by the labor and trust
2 agreements to which International Expo is a party, and as authorized
3 under 29 U.S.C. §1132(g)(2)(D);
4 F. Post-judgment interest at the 12% rate specified in the applicable Trust
5 Agreements, as authorized under 29 U.S.C. §1132(g)(2); and
6 G. Any other such relief under federal law or as is just and equitable.

7 Dated: October 7, 2015.



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